



ROUTT COUNTY BOARD OF COUNTY COMMISSIONERS

AGENDA COMMUNICATION FORM

ITEM DATE: September 19, 2023	ITEM TIME:
-------------------------------	------------

FROM:	Kevin Booth
TODAY'S DATE:	September 11, 2023
AGENDA TITLE:	Consideration to approve a Resolution to increase the Rental Car Customer Facility Charge at the Airport from \$4.00 to \$5.00 per transaction day.

CHECK ONE THAT APPLIES TO YOUR ITEM:	
<input checked="" type="checkbox"/> ACTION ITEM	
<input type="checkbox"/> DIRECTION	
<input type="checkbox"/> INFORMATION	

I. DESCRIBE THE REQUEST OR ISSUE:
Consideration to approve a Resolution to increase the Rental Car Customer Facility Charge at the Yampa Valley Regional Airport from \$4.00 to \$5.00 per transaction day.

II. RECOMMENDED ACTION (motion):
Approval and authorization for the Chair to sign the Resolution to increase the Rental Car Customer Facility Charge at the Yampa Valley Regional Airport from \$4.00 to \$5.00 per transaction day.

III. DESCRIBE FISCAL IMPACTS (VARIATION TO BUDGET):
PROPOSED REVENUE (if applicable): \$100,000 (estimated increase each year)
CURRENT BUDGETED AMOUNT: \$340,550 (2024 Budget)
PROPOSED EXPENDITURES: N/A

FUNDING SOURCE: CFC Revenue
SUPPLEMENTAL BUDGET NEEDED: YES NO

IV. IMPACTS OF A REGIONAL NATURE OR ON OTHER JURISDICTIONS (IDENTIFY ANY COMMUNICATIONS ON THIS ITEM):
NA



ROUTT COUNTY BOARD OF COUNTY COMMISSIONERS

AGENDA COMMUNICATION FORM

V. BACKGROUND INFORMATION:

The Airport Customer Facility Charge was first implemented on September 1, 2005 at a rate of \$4.00 per transaction day to help with the cost of the Rental Car Fuel Farm as well as future rental car facilities at the airport. With the increase in passengers starting in 2021 and a recent reduction in carwash facilities in Hayden the rental car companies were in need of a car wash facility. An on-airport car wash requires less time and manpower, and ultimately allows the rental car companies to increase their inventory of cars and better meet the Airport's ground transportation demands. The Airport took on the responsibility to construct this facility, including adding additional rental car storage facilities, with the understanding that CFCs would be used to fund these projects. At the time of initial construction CFC funds had a balance of \$1,788,889 to use towards the project. Rental car companies have been advised of the proposed CFC increase and support the initiative to raise it to \$5.00 per day. At this increased rate HDN CFCs are still lower than they are at ASE and EGE. The following analysis shows the expected pay back into the Airport fund based on the current and proposed CFC rates:

CFC Revenue

12/31/2022 CFC Balance	\$ 1,788,889.00
2023 Projected Revenue	\$ 305,430.00
	<u>\$ 2,094,319.00</u>

Project Expenses

Car Wash Facility	\$ 4,042,267.76
Piper Lane Paving & Two Overflow Lots	\$ 647,149.00
North Overflow Lot	\$ 712,387.50
	<u>\$ 5,401,804.26</u>

Balance of CFC Revenue Due to Airport	<u>\$ 3,307,485.26</u>
--	------------------------

Annual Maintenance Cost of Facilities	<u>\$ 15,000.00</u>
--	---------------------

Annual Revenue at Current Rate - \$4.00/day	\$ 325,550.00	<i>(less annual maintenance cost)</i>
Projected Pay off of above Projects	10.65 years	

Annual Revenue at \$5.00/day	\$ 390,660.00	<i>(less annual maintenance cost)</i>
Projected Pay off of above Projects	8.80 years	



ROUTT COUNTY BOARD OF COUNTY COMMISSIONERS
AGENDA COMMUNICATION FORM

VI. LEGAL ISSUES:
None
VII. CONFLICTS OR ENVIRONMENTAL ISSUES:
None
VIII. SUMMARY AND OTHER OPTIONS:
The recommendation of the Airport is to increase the CFC rate to \$5.00 per transaction day, which allows for the Airport fund to be repaid within nine years. This supports the use of the Airport fund balance for the Terminal Expansion project and additional CFC funds to be used for expansion of the Rental Car Ready Return Lot.
IX. LIST OF ATTACHMENTS:
Resolution